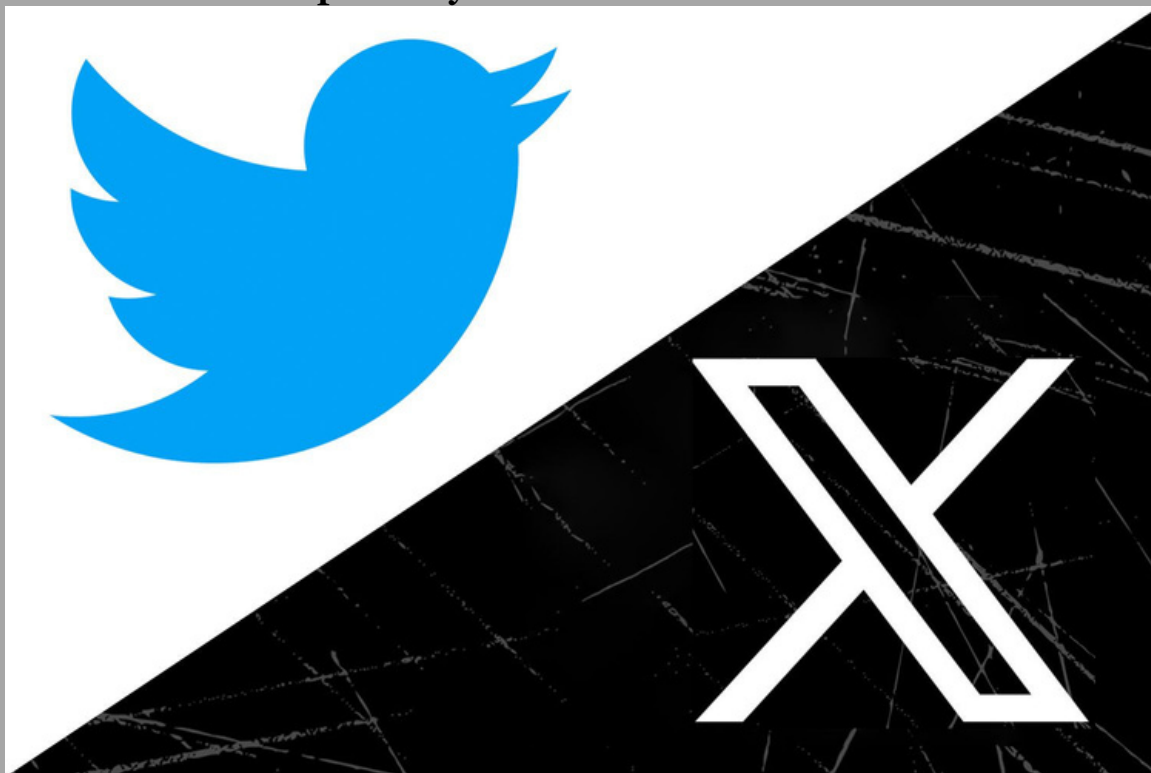


BACKGROUND GUIDE

HAYMARKET VA. DISNEY'S AMERICA

Composed by Nica Tran & Bianca Sauro



WMIDMUN-XXII

DIRECTOR'S LETTER

Dear Delegates,

It is my absolute pleasure to welcome you all to the *Twitter Board of Directors* here at WMIDMUN XXII. My name is Jeronica Tran, your in-director for the committee. I am a senior here at the College of William and Mary studying Philosophy with a minor in Psychology. I grew up in Northern Virginia, like many other students at William and Mary, and started doing Model UN in high school. I have been a part of the university's International Relations Club (IRC) since my freshman year. I have previously served on the staff and secretariat of all three IRC conferences that we hold: WMIDMUN (middle school), WMHSMUN (high school), and &MUN (collegiate). I also compete in travel every so often. I currently serve as the club's president and am incredibly excited to be a part of yet another fantastic iteration of our middle school conference.

In Model UN, a crisis committee runs very differently from a general assembly. It is a fast-paced environment in which you must present in-room through speaking and writing, and out-of-room through personal notes. As your general director, I will be handling all of the in-room activity. This means that I will be helping to move the overall committee along through your collaborative directives and speeches.

This committee will teach you to adapt quickly and Bianca, your crisis director, and I will be more than willing to aid you all in this. We hope that you all find this to be a fruitful, unique experience that brings you back to WMIDMUN in the future. It should also be emphasized that WMIDMUN prides itself on being a welcoming environment with zero tolerance for any hate, discrimination, bigotry, violence, etc. of any kind. This also extends to your characters, writing, and speaking. We ask that your help us ensure that WMIDMUN stays a safe place for you and your fellow delegates. With that, welcome to the WMIDMUN XXII *Twitter Board of Directors*. Good luck to you all!

Sincerely,

Jeronica Tran

jntran01@wm.edu

DIRECTOR'S LETTER

Dear Delegates,

I hope you are all as excited as me for WMIDMUN XXII! My name is Bianca Sauro and I will be your crisis director for *Twitter Board of Directors*. I am a senior here at William & Mary and have only been involved in Model UN since last year, so if you're new and nervous, don't be! I'm right there with you! I served as the Media Director for &MUN, W&M's collegiate-level conference, last year and I'm thrilled to be continuing in that position for our upcoming &MUNXII. Outside of the International Relations Club, I am a Marketing major with a concentration in Sustainability, and I love spending time with friends and writing.

As your crisis director, I'm excited to have the opportunity to participate in all of your crisis arcs. The acquisition of Twitter and its subsequent rebrand has been incredibly interesting to watch in real time and I look forward to seeing how you all engage with your characters. Success in this committee will require you to be creative, business-minded, and cooperative with your fellow board members and Twitter personalities.

I am absolutely thrilled to be a part of this committee and cannot wait to meet all of you! Feel free to reach out to me before the conference with any questions, concerns, or just to say "hi." Good luck in your preparations and I will see you in March!

Sincerely,

Bianca Sauro

bcsauro@wm.edu

HISTORY

In 2013, Twitter, a popular social media platform went public, allowing individuals and organizations to invest in shares in the private company for the first time. Holding shares or stock in a company allows one to invest in the company and earn money based on that company's success without working for the company or taking on any of its liabilities (*ING*). This move earned Twitter increased funding and popularity, but in the years following, it began to struggle to keep up with competition like Facebook and Google. Even when Twitter was back on the upswing, the platform faced consistent backlash for allowing users to spread misinformation and censoring certain sentiments from users (Vanian, 2022). As Twitter struggles with staying competitive in a rapidly expanding market and responding to criticisms in a politically heated climate, the company's executive leadership has a lot on their plate.

Twitter is led by a group of executives and a board of directors headed by a Chief Executive Officer (*Organimi*). For this committee, the board of directors will consist of more than the eleven individuals included on the organization chart to the left, but this is a good visual of the executive hierarchy. While some members of the board have more technical power than others, each individual has a specialized set of skills and it is up to the organization as a whole to make the most profitable decisions for the company. The success of these leaders is based on the success of Twitter, so the stakes are high for each and every one of them.

Around 2022, Elon Musk, the richest person in the world and CEO of Tesla, began his own campaign of criticism against Twitter leadership. He openly expressed that he doesn't believe Twitter adheres to the values of "free speech" and gained traction in the Twitter community from users who agreed. In April of 2022, Musk was revealed as Twitter's largest shareholder and was invited to join the board of directors, an offer that Musk refused (Southern, 2022).

Currently

On April 14, 2022, Elon Musk began an attempted acquisition of the social media platform Twitter. After openly criticizing the app and its regulations, Musk offered to purchase Twitter for \$43 billion. Twitter's board of directors must discuss whether to accept Musk's offer and their visions for the future of the company (Southern, 2022).

BACKGROUND 1.0



Topic 1: Finances of the Takeover

Twitter operates as a publicly traded company, listed on the New York Stock Exchange under the ticker symbol "TWTR." This means that the ownership of Twitter is distributed among various shareholders who hold the company's publicly traded shares. The largest shareholders often include institutional investors such as mutual funds and pension funds. Their financial performance has varied over the years. Revenue growth, user retention, and the ability to attract advertisers are the key metrics for Twitter's financial success. However, they derive their revenue primarily from advertising. The company reports its financial performance on a quarterly basis, providing information on metrics such as general shareholder revenue, user numbers, and advertising revenue. While it has experienced significant user growth and global popularity, the company faced challenges in monetizing its platform effectively. In the previous quarters, Twitter's advertising revenue has reached approximately \$1.05 billion, representing a year-over-year increase of about 87%. This growth was fueled by businesses and organizations utilizing Twitter's advertising products and services to promote their products, services, or messages.

One of the most crucial relationships between the major metrics of Twitter's financial success lies between user growth and advertising. The number of monthly active users (MAUs) on the platform is a significant metric in attracting advertisers. In the reported period of 2021, Twitter had around 330 million MAUs, reflecting a slight increase from the previous year. User engagement and retention were key metrics for Twitter's financial performance, as they directly impacted the platform's attractiveness to advertisers.

Profitability, however, has been the most hotly debated topic of discussion for Twitter. While the company reported positive net income in certain quarters, it also experienced periods of net losses. In the fiscal year of 2021, Twitter's net income stood at approximately \$66 million. However, the company reported earnings loss of 221 million, with an annual revenue of \$5.1 billion. Since its IPO, Twitter made profit in two of the eight years. Managing expenses is crucial for improving profitability, and Twitter incurs various costs such as infrastructure, employee salaries and benefits, research and development, marketing, and general administrative expenses.

In discussion of Elon Musk's attempt to takeover Twitter, he purchased enough shares of Twitter to become its largest individual shareholder. In his offer, Musk solicitates buying 100 percent of Twitter's shares for \$54.20 each, or about \$44 billion. Furthermore, he hopes to take the company into the private sector.



RESEARCH QUESTIONS

How do you ensure that board members continue to hold stakes in contract guidelines?

What are the prospects of Twitter transitioning into the private sector? What are the pros? What are the cons?

How can Twitter mitigate the likelihood of hostile takeover, rapid fiscal deterioration, etc. under the possibility of new contractual leadership?

Are there any alternative options or alternate offers available for consideration?

BACKGROUND 2.0



Topic 2: Rebrand of the App

During a period of restructuring, Twitter has the opportunity to engage in a rebrand. When a company rebrands, it changes its image which is often manifested in the name and logo of the company.

In July 2023, after Elon Musk acquired Twitter, the name of the app was changed to “X,” and the logo was altered. Since this committee takes place before the real-life rebrand, the board of directors may choose to keep Twitter’s original branding, follow Musk’s rebrand into “X,” or do something different entirely.

As the board of directors and associates with strong ties to the success of Twitter, it is important to preserve the popularity of the app. As a social media platform, Twitter relies on attracting and retaining users. For this reason, it is important to consider what the public wants out of a social media platform, their current likes and dislikes about Twitter, and how Twitter can better meet the needs of its user base. A rebrand could be the perfect opportunity for the app to fix shortcomings and enhance its user experience. Additionally, there are many other forms of social media that have similarities and differences to Twitter. It’s important for a brand to consider how it compares to competition when altering its image.

Finally, the aesthetics and attractiveness of a rebrand are important considerations. If the board of directors decides to engage in a rebrand, it must make sure that the new name and logo are attractive to their user base. Colors, symbolism, social relevance, and design are some of the main elements worth debating. A good rebrand involves a memorable name and logo that reflect the company’s values and how they want to be perceived by the public.



RESEARCH QUESTIONS

Should Twitter continue operating with the same name and logo? If not, what should the new name and logo be?

How does Twitter want to be seen by the public? How can a rebrand enhance its image?

According to public opinion, what can Twitter improve? What should not be changed?

How does Twitter compare to its competitors? What can make Twitter stand out?

DOSSIER

1. Parag Agrawal (*CEO - Chief Executive Officer*)

Parag Agrawal is the Chief Executive Officer of Twitter. Agrawal was the Chief Officer of Technology and was promoted to CEO in 2021. With a background in Computer Science and Engineering at the Indian Institute of Technology, Bombay and Stanford University, Agrawal's career success is reliant on the success of Twitter (LinkedIn).

2. Ned Segal (*CFO - Chief Financial Officer*)

With financial experience working for companies like Goldman Sachs and Intuit, Ned Segal is Twitter's Chief Financial Officer. As CFO, Segal heads Twitter's financial functions. Additionally, he is responsible for leading the company's Corporate Development and Partnerships, including Global Content Partnerships, Developer Platform Commercial and Business Development. Segal has served at Twitter for five years and is heavily invested in the success of the company (LinkedIn).

3. Sarah Personette (*CCO - Chief Customer Officer*)

Sarah Personette is the Chief Customer Officer of Twitter and is responsible for the company's relationship with its customers. After working at Twitter as the VP of Global Client solutions, Personette moved up to become CCO in August 2021. With a background at companies like Facebook, she has a strong grasp on leading a company and what it takes to create a successful social media empire (LinkedIn).

4. Leslie Berland (*CMO - Chief Marketing Officer*)

Leslei Berland has been Twitter's Chief Marketing Officer for over six years, serving as the company's Head of People for almost three years as well. She has experience as a board member at other companies like Make-A-Wish America and Ad Council (LinkedIn). As the CMO, it is Berland's responsibility to oversee the planning and execution of a company's marketing and advertising functions.

5. Vijaya Gadde (*Chief Legal Officer*)

Vijaya Gadde is the Legal, Public Policy & Trust and Safety Lead at Twitter, with over 11 years of experience working at the company. Gadde advises her peers on minimizing the company's legal risks. She got her undergraduate degree at Cornell University and her law degree at New York University. With so much time working at Twitter, Gadde has a lot to lose if the company fails (LinkedIn).

6. Sean Edgett (*General Counsel*)

Rising through the ranks at Twitter over the course of ten years, Sean Edgett is the General Counsel and Senior Vice President of the company. Through his sponsorship of Twitter Able, a resource group for disabled Twitter employees and Twitter Women in Legal, a similar group for female employees in the legal profession, Edgett appears to prioritize equality in the workplace (LinkedIn). He is the chief in-house legal counsel for Twitter and is responsible for advising the board on legal matters.

7. Bret Taylor (*Executive Chairman of the Board*)

Rising from a board member position to the Chairman of the Board, Bret Taylor has been involved with Twitter for over six years. With previous board experience as well as having been the CEO of two companies, Taylor knows the power and responsibility that comes with this position (LinkedIn).

8. Jack Dorsey (Board member - Founder/Former CEO of Twitter)

Jack Dorsey is a co-founder and former CEO of Twitter (Wikipedia). As one of the minds behind the app, and a current board member, Dorsey's reputation as well as financial success are directly reliant on the success of Twitter. This may also give him reason to support the classic brand of original Twitter over a fresh new face.

9. Mimi Alemayehou (Board member - Senior Vice President of Public/Private Partnership at Mastercard)

An investor in emerging markets board member for countless large companies, Mimi Alemayehou is committed to helping Twitter reach its full potential in the relatively new social media industry. On the board, she is part of the Audit Committee, a group of members focused on retaining transparency surrounding the company's financial endeavors (LinkedIn).

10. Egon Durban (*Board member - Co-CEO of Silver Lake*)

The co-CEO of Silver Lake, an investment firm focusing on technology investments, Egon Durban is a member of the board. His company manages \$75 billion in assets and has extensive experience with technological investments (Forbes).

11. Martha Lane-Fox (*Board member - Founder/Chairman of Lucky Voice Group*)

Lady Martha Lane-Fox is a British businesswoman, philanthropist, and member of Twitter's board of directors. In 2019, she was named Britain's most influential woman in the digital sector by media and marketing publication *The Drum*. Along with being a successful businesswoman, Lane-Fox is an advocate for human rights, women's rights, and social justice (Wikipedia).

12. Omid Kordestani (*Board member - Former Executive Chairman of the Board at Twitter*)

With seven years of experience at Twitter and more at similar companies like Google and Spotify, Omid Kordestani understands the lay of the industry. He provides direct support to the CEO and executive team. During his years at the company, he has helped Twitter grow and sustain profitability (LinkedIn).

13. Dr. Fei-Fei Li (*Board member - Stanford Professor of Computer Science*)

A renowned Stanford professor from Beijing, China, Dr. Fei-Fei Li is a prominent computer scientist known for her groundbreaking work in AI. She became involved with Twitter in May 2020 when she was appointed to the board of directors. Her background and contributions to AI research, particularly in computer vision, make her a valuable addition to Twitter as she helps to guide areas such as content moderation, recommendation systems, and user engagement.

14. Patrick Pichette (*Board member - Former CFO of Google/General Partner at Inovia Capital*)

Particularly for his tenure as the Chief Financial Officer (CFO) of Google from 2008 to 2015, Patrick Pichette is a highly respected figure in the technology and business world due to his financial literacy. He became apart of the board in June 2017 in order to help advise growth and expansion for the company. His extensive experience in finance and technology makes him a valuable asset to seeking strategic guidance and leadership at the executive level.

15. David Rosenblatt (*Board member - CEO of 1stdibs.com, Inc.*)

Rosenblatt joined the board of directors in December 2009 after his work in digital advertising and venture entrepreneurship. He is known as a determined mogul, often instituting tech companies that go on to corporate acquisitions. Currently the CEO and co-founder of 1stdibs.com, an online marketplace for luxury goods, he also previously served a tenure at Google.

16. Robert Zoellick (*Board member - Former Executive Chairman of the Board at AllianceBernstein Holding LP*)

Robert Zoellick is a prominent figure in international relations, economics, and public work who served as the President of the World Bank Group from 2007 to 2012. Aside from his various roles in national and international government, he also divulges in investment management and served as the Executive Chairman of one of the biggest holding companies, AllianceBernstein Holding LP. Because of Zoellick's economic experience in both global and private sectors, he was employed as a member of the Twitter board.

17. James Gorman (*Majority Shareholder - CEO and Executive Chairman of Morgan Stanley*)

The CEO and Executive Chairman of Morgan Stanley, one of the largest investment banks and financial services companies in the world, Gorman has been at the helm of the company since 2010. Before that, this Australian banker and notorious businessman dominated the financial consulting industry, regarded as one of the most skilled and visionary leaders in the field. He became involved with Twitter after his company Morgan Stanley became one of the top shareholders, maintaining about 8.4% of the media platform. This makes them the third largest shareholder of Twitter.

18. Tim Buckley (*Majority Shareholder - CEO and Executive Chairman of The Vanguard Group*)

Tim Buckley is an American financial executive who has served as the CEO of Vanguard, one of the world's largest investment management companies. He assumed the role of CEO in January 2018 and is known for his focus on putting investors first and maintaining Vanguard's client-owned structure. The Vanguard Group and Buckley became involved with Twitter as it held 10.3% of the company's shareholders, making them the second largest shareholder behind Elon Musk.

19. Larry Fink (*Majority Shareholder - CEO and Executive Chairman of Blackrock Fund Advisors*)

Full name Laurence D. Fink, he is the co-founder, executive chairman, and CEO of the Blackrock Fund Advisors. Blackrock is a global leader in asset management, offering a wide range of investment products and services to institutional and individual investors. They are a vast global operation with trillions of dollars in assets under management and their company holds a 6.5% stake in Twitter, making them the fourth largest shareholder

20. Cyrus Taraporevala (*Majority Shareholder - CEO and President of State Street Global Advisors*)

An American financial services and bank holding company, State Street Global Advisors is the world's fourth largest assets manager. Both the president and CEO, Taraporevala is infamous for his work in the financial field and has served as an independent board member, meaning independent of any corporation, for two major companies including Shell. His company owns 4.5% shares of Twitter, making them the fifth and last largest shareholder of the media platform.

21. Beyoncé (*Prominent Twitter Personality*)

Popstar, CEO, and cultural icon, Beyoncé is widely regarded as one of the best performers of her time. Beginning in the r&b group Destiny's Child before making her solo debut, she has hundreds of thousands of fans of all ages, most notably, her online fandom. Referring to themselves as the "Beyhive," this group is known for promoting and defending the superstar with unflinching loyalty. Beyoncé currently has 15.3 million followers on Twitter, many of whom would consider themselves to be part of her fandom.

22. Cristiano Ronaldo (*Prominent Twitter Personality*)

Cristiano Ronaldo is a Portuguese soccer player who has played for teams like Manchester United and Real Madrid. He is currently playing for Al Nassar. Considered one of the best soccer players of all time, he is also a major celebrity (Wikipedia). He is the most-followed sports personality on Twitter with over 110 million followers.

23. Taylor Swift (*Prominent Twitter Personality*)

Taylor Swift is a popstar and the second most popular artist in the world according to Spotify. While Swift's influence has grown tremendously in the past few years, she has been a fixture in the musical industry since her first album in 2006. With 95.1 million Twitter followers, her fanbase is one of the most formidable in the world. Always convinced of a conspiracy, "Swifties" are devoted, involved, and always ready to support Taylor.

24. BTS (*Prominent Twitter Personality*)

K-pop boy band BTS is a group of seven that have swept the globe in recent years to become one of the most prominent musical acts in the world. With their global popularity also comes a hoard of fiercely dedicated fans known as "BTS ARMY," a fanbase that has a notorious presence on Twitter. In 2022, the band had 44.4 million followers, breaking the record for number of followers for a musical group in the history of Twitter. While this level of popularity is fantastic for business, wielding a fanbase like Army is a lot of responsibility.

25. LeBron James (*Prominent Twitter Personality*)

A basketball icon and one of the most recognizable athletes in the world, LeBron James is the most popular superstar in sports media. In 2022, @KingJames had about 52.8 million followers, putting him in the top 50 followed accounts on the platform. LeBron often utilizes his Twitter presence not only to discuss basketball-related matters but also to advocate for social justice causes, express his views on current events, and promote his philanthropic endeavors. His tweets often reflect his leadership on and off the court, demonstrating his commitment to making a positive impact in the world.

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